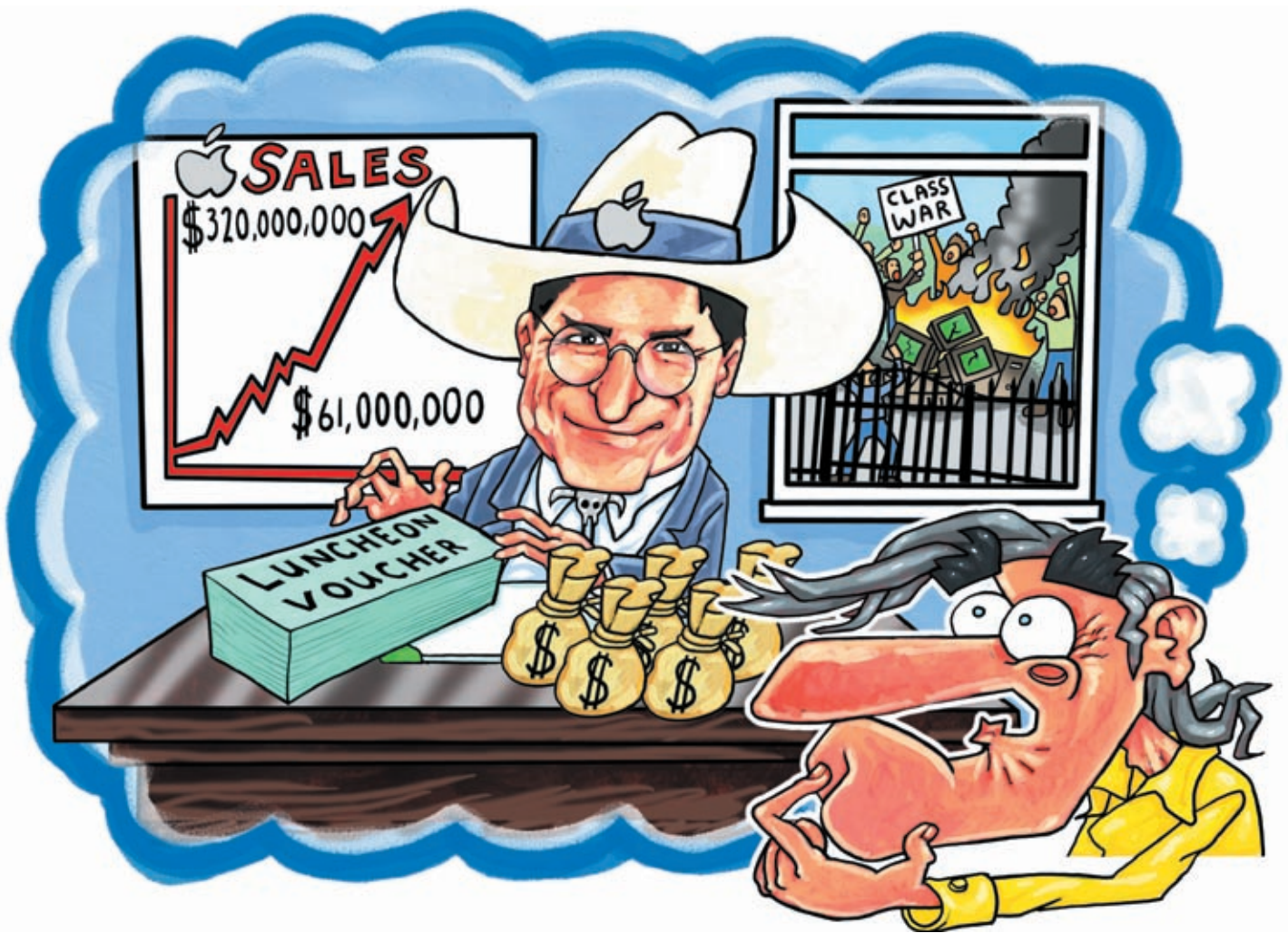




MACBITER

He may have the killer instinct of a bunny rabbit when it comes to business deals, but MacBiter thinks Apple's new-found prosperity may not last

There's a theory in some circles that *Dallas* killed off the American dream. You remember *Dallas* – the 1980s TV drama series featuring the wicked JR Ewing, in which it was made plain to ordinary viewers that being vastly rich was no protection against life's vicissitudes. In fact, the underlying message of the programme was that being vastly rich was itself a dysfunctional condition. This was directly at odds with the aforementioned American dream, which dictated that possession of huge wealth featured as the number one desideratum.

Before *Dallas* most Americans believed that tons of cash would solve all life's problems. After *Dallas* nobody believed it – so goes the theory – and, what's more, ordinary

folks began to regard vastly wealthy fellow Americans as a specially deserving target for opprobrium, snide and *schadenfreude*.

Next quarter's results may not be quite so formidable. The predicted three and a half billion dollars may turn out to be more like five hundred bucks and a book of Luncheon Vouchers

Since then a number of gigantically rich Americans have come under the hammer, the latest being Michael Jackson. With the exception of Jacko, sympathy for them has been marked by its general absence. There's not much about American society that a European left-winger

would regard as left-wing, but a visceral hatred of the rich merely for being rich appears, at last, to have embedded itself in the national US

consciousness. In Europe, of course, this feeling has been around for centuries.

FILTHY RICH AND BACKLASH

This being so, I wonder what the effect will be on Apple's image of the recent

announcement that the company has just enjoyed its best-ever financial quarter and is now filthily, disgustingly rich. In the three months to 25th June, profits were \$320 million (around £207m; last year's equivalent figure was \$61 million, around £35m), while sales revenue from all products totalled three and a half billion. The company that was on its uppers only a few years ago when Gil Amelio took over is now worth more than many smaller developing countries.

Given that we live in a political climate where the imbalance between rich and poor on a world scale is now regarded as terminally immoral, isn't this likely to transform Apple from the Funky People's Computer Company into something approaching the Dark Lord status of the World Bank? Members of the Socialist Workers Party, the Workers' Revolutionary Party and our old pals Class War have always regarded it as a sacred duty to steal their computers – and I don't say they're wrong – but surely even mildly left-of-centre people, probably the majority in fact, will hesitate before giving yet more hard-earned cash to an entity that plainly doesn't need it. It's rather like increasing the Royal Family's Civil List fund. In short,



will these fantastic profit figures bring about a backlash?

Two factors militate against this alarming conclusion. First, many other IT companies are also disgustingly rich – Microsoft springs to mind, but there's also Dell, Google and now Poker.com – and those that aren't would plainly like to be, so there's nothing exceptionally obnoxious about Apple having all this cash. Second, and more pertinently, this may be the last time for some years that Apple is able to show such growth; as mentioned last month, the move to Intel in a year's time will put the kiss of death on sales of G4 and G5 Macs for at least that span of time. Which in turn means that next quarter's results may not be quite so formidable.

Apple is being bullish about this next set of figures, predicting \$3.5 billion of revenue, but I am the Shadow and I know many things, for I walk by night, and while I don't actually know that this forecast is pure bollocks, I suspect it is, not least because in about three months from now everybody in the First World, with the honourable exception of myself, will own an iPod. Since iPods account for the vast majority of this colossal result – and don't forget the G4/G5 kiss of death mentioned above – the predicted three and a half bills may turn out to be more like five hundred bucks and a book of Luncheon Vouchers.

A PROFIT IN MY OWN LAND

I say all this with a little mild *schadenfreude* of my own, since only once in my life have I ever made a profit on any single transaction. That was when I was eight and at prep school, and one sunny morning break managed to sell a bag of marbles to some rich mini-dork for about three times their value. My parents, no doubt imagining that in their only and much-beloved son they had raised a future tycoon who would support them lavishly in their old age, were delighted. It didn't work out that way, not least because for both of my parents old age was a state they never reached, and in any case since then I have been one of life's payers-out.

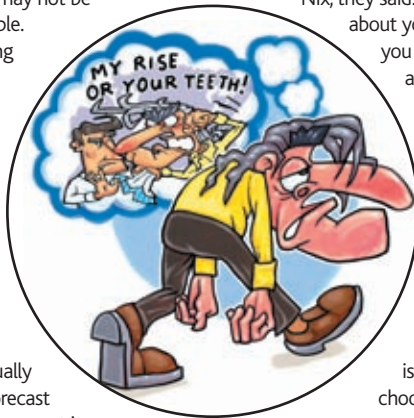
Financial acumen is a gift that utterly passed me by. I can play several musical instruments passably well, I can write a bit, and since Alzheimer's has so far mercifully

held off, I can still wipe my backside without assistance. But show me a tax return and I run screaming to hide in a cupboard.

I'll give you an example. A few months ago I approached the editor of this esteemed magazine. I pointed out that my stipend for this column has been the same for about four years, that I have written for every issue since the first, and that this column adds a little spice to what – let's be honest here – would otherwise be a wodge of deadly dull technobabble. I therefore asked, as politely as Bob Cratchit asking Ebenezer Scrooge, for a rise. After a week or so to consider my request, the authorities came back to me.

Nix, they said. No rise. Go about your business, you scruffy fellow, and think yourself lucky to be employed at all.

Now a real killer tycoon type (given that no such person is ever likely to choose a career



A real killer tycoon type would have seized the editor by the scruff of his T-shirt and bellowed: "My rise or your teeth! You choose!" What did I do? I said, "Oh, right," and walked away defeated

as a writer) wouldn't have taken that. He would have seized the editor by the scruff of his T-shirt and bellowed into his face: "My rise or your teeth! You choose!" Since I am about twice the height and weight of the editor, I have no doubt that such an approach would have prevailed. What did I do? I said, "Oh, right," in a limp sort of way, and walked away defeated. That's how much of a killer tycoon I am.

GIVE IT SOME STICK

Here's another example. I mentioned that I never look at tax returns or bank statements, and sometimes this can have bad effects. Recently my wife (who has no such inhibitions) pointed out that about 18 months ago, according to a statement, I'd paid about \$100 to an American company that sells joysticks for flight sims. I remembered the occasion well; I'd tried and tried to purchase one of these bloody things but the site wouldn't cooperate and in the end I'd given up in despair.

TOO LITTLE, TOO LATE

There's a well-known saying about stable doors, horses and bolts that springs to mind when I contemplate the news that this week IBM – remember IBM? – has announced a new dual-core (whatever that means) G5 PowerPC chip that runs cool enough to be fitted in laptops.

This is ironic when you consider that IBM's failure to provide such a chip is considered to be one of the chief reasons why Apple has recently decided to put Intel Inside, thus ending a 15-year association with IBM. What puzzles me is the fact that chips, dual-core or otherwise, are not knocked up in a garage in a couple of weeks. IBM must have known that the device was in the pipeline and, that being so, why didn't it tell Apple? It might have made all the difference. But perhaps Steve Jobs didn't give them the chance.

JOBS: OK, you guys, this is it – the parting of the ways.

IBM: Steve, there's something you should know...

JOBS: All I know is you knuckleheads have failed dismally to produce a G5 chip that doesn't melt a PowerBook. I've given you plenty of time.

IBM: That's true, but...

JOBS: Put it in the US mail. I'm outta here.

(Exit, slamming door.)

IBM: Stuff him. Mo, give Sony a call and tell 'em we can up their order after all.

What goes around, comes around.

But it seems I got through after all, since my credit card account was debited. The problem was, I never received the joystick – if I had I would have noticed. So my case against CHProducts.com was overwhelming. Either I hadn't made the purchase, in which case my account shouldn't

– I admit I wouldn't mind living there myself, but I don't despise or hate the people who do actually live there, nor do I wish to evict them by force. Your actual Class War adherent would rather see the nice house torched, or empty and ruinous. I don't feel that way. I am a wimp and I take what life deals out without complaint.

PAYBACK TIME

That's why I am largely able to regard Apple's wholly disgusting profit figures with benign indifference. What goes around comes around and it's just possible that this is a karmic payback for all those years of travail and anxiety. Moreover, it's certain that this will be a peak, and that years to come may once again see the company's senior executives signing on at the Cupertino welfare agency.

More to the karmic point, Steve Jobs may be a billionaire several times over, he may run the world's grooviest (and now one of the world's richest) IT companies and also the world's top film animation studio, he may have a private jet and a single-figure golf handicap, but when it comes down to it he's still Steven Jobs: a man who began his business career by manufacturing illegal devices that allowed hippies to rip off AT&T and Bell Telephone to the tune of hundreds of thousands of dollars. I wouldn't want that on my conscience, though I also wouldn't say no to the money. ☑

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